

REDEVELOPMENT AGREEMENT

This Agreement is entered into on the date and by execution shown hereafter, by and between the City of Granite City, Illinois, an Illinois Municipal Corporation, (hereinafter referred to as the “City”) and _____ (hereinafter referred to as the “Owner”).

PREAMBLES

WHEREAS, the Owner owns the following described real estate (the “Property”) located in the City of _____, Madison County, Illinois Tax Increment Financing (“TIF”) Downtown Redevelopment Project Area (also referred to as the “Downtown TIF District”), to wit:

[SEE EXHIBIT A - LEGAL DESCRIPTION]

Madison County PIN Number: _____

Property Address: _____, Granite City, Illinois 62040

and

WHEREAS, the City wishes to encourage the Owner to make improvements to the building façade, comply with current building codes, and make other building repairs and/or remodeling of the building located on the above described property and costing approximately \$ _____, as said project and detailed costs have been preapproved by the City Council, (the “Project”); and

WHEREAS, The Owner has demonstrated to the satisfaction of the City that, by reason of the work required on the property, the Project cannot be accomplished except at substantial extraordinary expense to The Owner; and

WHEREAS, it is the desire of the City and the Owner that the City encourage the repair and rehabilitation of the subject property under the City's grant of authority pursuant to the Illinois Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4, et seq. (the "Act"); and

WHEREAS, the City is authorized under the provisions of the Act to reimburse the Owner for certain redevelopment project costs in connection with redevelopment and other improvements within Downtown TIF District; and

WHEREAS, financing building repair and rehabilitation is consistent with the objectives of the TIF Redevelopment Plan adopted for the Downtown Redevelopment Project Area, as amended by Ordinance No. 8005, adopted March 5, 2007.

NOW, THEREFORE, in consideration of the premises and agreements set forth below, the parties, for and in consideration of the representations relative to the proposed improvements of said real property owned by the Owner, hereby agree as follows:

Section 1. The Parties agree that all of the recitals contained in the Preambles to this Agreement are true and correct, and said recitals are hereby incorporated into the Agreement as though they were fully set forth in this Section 1.

Section 2. That the Owner shall promptly proceed with Project as described above, investing approximately \$ or more in said Project.

Section 3. Upon completion of the Project and providing evidence of TIF eligible costs incurred, the City will pay to the Owner a TIF Grant in the amount of \$, subject to the following conditions:

- a. That this Agreement and the funds to be paid out accordingly, shall expire at the end of 12 months from the date of execution of this Agreement, or when the

maximum amount stated above has been reimbursed to the Owner, or upon expiration of the Downtown TIF District, whichever occurs first.

- c. That the completed Project complies with the plans preapproved by the City.
- d. That the Owner will be reimbursed with TIF Grant proceeds for only building renovation, repair or remodeling costs incurred approved by the City Council. City will not be obligated here; under to distribute or expend funds for the Project except for the sole purpose of reimbursement to the Owner for Owner's payments of eligible costs, and not otherwise.
- e. That the Owner shall submit to the Economic Development Director a written statement in the form attached to this Agreement as Exhibit B ("Request for Reimbursement") setting forth the amount of reimbursement requested and the specific redevelopment project costs for which reimbursement is being sought. Each request for reimbursement shall be accompanied by such bills, invoices, lien waivers, proof of payment, or other evidence as the City shall reasonably require documenting the right of the Owner to be reimbursed under this Agreement. The Economic Development Director shall have twenty (20) days after receipt of any request for reimbursement from the Owner to forward said request to the City Council for approval or disapproval at their next regularly scheduled meeting. If the Council disapproves the request in its entirety or specific expenditure items, it shall provide to the Owner an explanation as to why such request was disapproved; provided, that the only reasons for disapproval of any expenditure for which reimbursement is sought shall be that such expenditure has not already been paid by the Owner, and/or is not considered to be eligible because such expenditure was not for building renovation, repair or remodeling costs that were approved by the City Council.

Section 4. THE CITY'S OBLIGATIONS TO REIMBURSE THE OWNER UNDER THIS AGREEMENT IS A LIMITED OBLIGATION PAYABLE SOLELY FROM THE APPROPRIATED INCREMENTAL TAXES GENERATED WITH DOWNTOWN REDEVELOPMENT PROJECT AREA FROM TIME TO TIME AND SHALL NOT BE A GENERAL OBLIGATION OF THE CITY OR SECURED BY THE FULL FAITH AND CREDIT OF THE CITY.

Section 6: The City's agreement to reimburse eligible costs of the Owner's Project under the terms of this Agreement is not, and shall not be, construed as a joint venture, principal-agent, or employer-employee relationship between the City and Owner, as Owner's decision to adopt the Project, and cause it to be completed, is solely as independent act of the Owner, and not otherwise.

Section 7. The Owner shall indemnify and hold harmless the City, its agents, officers and employees against all injuries, deaths, losses, damages, claims, suits, liabilities, judgments, costs and expenses (including any liabilities, judgments, costs and expenses and reasonable attorneys' fees) which may arise directly or indirectly from (i) the failure of the Owner or any contractor, subcontractor or agent or employee thereof to timely pay any contractor, subcontractor, laborer or materialman; (ii) from any default or breach of the terms of this Agreement by the Owner; or (iii) from any negligence or reckless or willful misconduct of the Owner or any contractor, subcontractor or agent or employee thereof (so long as such contractor, subcontractor or agent or employee is hired by the Owner). The Owner shall, at his own cost and expense, appear, defend and pay all charges of attorneys, costs and other expenses arising therefrom or incurred in connection therewith. If any judgment shall be rendered against the City, its agents, officers, officials or employees in any such action, the Owner shall, at his own expense, satisfy and discharge the same. This paragraph shall not apply, and the Owner shall have no obligation whatsoever, with respect to any acts of negligence or reckless or willful misconduct on the part of the City or any of its officers, agents, employees or contractors.

In no way limiting the foregoing, the Owner shall also indemnify and hold harmless the City, its agents, officers and employees against all damages, claims, suits, liabilities, judgments, fines, penalties, costs and expenses (including reasonable attorneys' fees) which may arise directly or indirectly from any violation of the Illinois Prevailing wage Act, 820 ILCS 130/0.01, et seq., in connection with the Project.

Section 8. This Agreement may not be assigned by the Owner without prior written approval of the City..

Section 9. All notices, demands, requests, consents, approvals or other instruments required or permitted by this Agreement shall be in writing and shall be executed by the party or an officer, agent or attorney of the party, and shall be deemed to have been effective as of the date of actual delivery, if delivered personally, or as of the third (3rd) day from and including the date of posting, if mailed by registered or certified mail, return receipt requested, with postage prepaid, addressed as follows:

To the Owner:

_____, IL 6_____

To the City:

Attention: Economic Development Director
City of Granite City
2000 Edison Avenue
Granite City, IL 62040

- continued on following page -

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed individually or by their duly authorized officers on this ____ day of _____, 201_.

CITY OF GRANITE CITY, ILLINOIS:

Ed Hagnauer, Mayor

ATTEST:

Judy Whitaker, City Clerk

OWNER (Property Owner):

BY: _____

Exhibit A
Legal Description of Property

EXHIBIT B

Form of Request for Reimbursement

REQUEST FOR REIMBURSEMENT

(DATE)

City of Granite City
2000 Edison Avenue
Granite City, IL 62040

Attention: Economic Development Director

RE: Redevelopment Agreement, dated _____, 20____,
by and between the City of Granite City, Illinois, and
_____ (the "Owner")

Dear _____:

You are requested to disburse funds from the Special Tax Allocation Fund pursuant to Section 3 of the Redevelopment Agreement described above in the amount(s), to the person(s) and for the purpose(s) set forth in this Request for Reimbursement. The terms used in this Request for Reimbursement shall have the meanings given to those terms in the Redevelopment Agreement.

1. PAYMENT DUE TO: _____
2. AMOUNT TO BE DISBURSED: _____
3. The amount requested to be disbursed pursuant to this Request for Reimbursement will be used to reimburse the Owner for those approved building renovation, repair and/or rehabilitation costs described in the Redevelopment Agreement.
4. The undersigned certifies that:
 - (i) The amounts included in line 2 above were made or incurred or financed and were necessary for the completion of the Project and were made or incurred in accordance therewith;
 - (ii) The expenditures for which amounts are requisitioned and represent proper redevelopment project costs as described in Section 3(d) of the Redevelopment

Agreement, have not been included in any previous Request for Reimbursement, have been properly recorded on the Owner's books and are set forth in Schedule 1, with paid invoices or other documented evidence attached for all sums for which reimbursement is requested;

- (iii) The amount of Redevelopment Project Costs to be reimbursed in accordance with this Request for Reimbursement, together with all amounts reimbursed to the Owner pursuant to Section 3 of the Redevelopment Agreement is not in excess of \$.
 - (iv) The Owner is not in default under the Redevelopment Agreement and nothing has occurred to the knowledge of the Owner that would prevent the performance of its obligations under the Redevelopment Agreement.
 - (v) All costs of labor included in this Request have meet the requirements of the prevailing wage ordinance of the City of Granite City presently in effect/
6. Attached to this Request for Reimbursement is Schedule 1 itemizing the eligible costs to be reimbursed, together with copies of paid invoices or other evidence of cost incurred for which reimbursement is being requested.

Submitted by:

Name

Title

APPROVED BY CITY COUNCIL:

Date: _____